

AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND THE REPUBLIC OF SIERRA LEONE
REGARDING THE REDUCTION
OF CERTAIN DEBTS OWED TO, GUARANTEED BY, OR INSURED BY
THE UNITED STATES GOVERNMENT AND ITS AGENCY

The United States of America (the "United States") and the Republic of Sierra Leone ("Sierra Leone") agree as follows:

ARTICLE I

Application of the Agreement

1. Pursuant to the recommendations contained in the Agreed Minutes on the Reduction of the Debt of the Republic of Sierra Leone, signed on January 24, 2007, the applicable domestic laws of the United States and Sierra Leone, and the September 1999 commitment of the President of the United States to provide 100 percent debt forgiveness of eligible debt to certain Heavily Indebted Poor Countries that have reached Completion Point, the United States and Sierra Leone hereby agree to the reduction of certain Sierra Leonean payments due as a result of debts owed to, guaranteed, or insured by the United States Government and its Agency.
2. This Agreement will be further implemented by a separate agreement (the "Implementing Agreement") between Sierra Leone and the United States Department of Agriculture ("USDA") with respect to PL-480 Agreements.

ARTICLE II

Definitions

1. "Contracts" mean
 - (a) credits extended under PL-480 agreements ("PL-480 credits") having original maturities of more than one year, which were extended to the Government of Sierra Leone or its public sector, or covered by a guarantee of the Government of Sierra Leone or its public sector, pursuant to an agreement concluded with the United States before June 20, 1999 and
 - (b) the bilateral debt rescheduling agreements concluded between the United States and Sierra Leone on August 21, 1987, April 19, 1993, January 11, 1995, August 7, 1996, April 29, 2002, and April 25, 2003, as amended.

Debt service due as a result of debts described above and affected through special payments mechanisms or other external accounts is covered by this Agreement.

A table listing the relevant contracts to be included under the debt reduction is attached hereto as Annex A.

2. "Relevant Principal" means the total amount of principal outstanding as of December 1, 2006, including Accrued Interest and any principal and interest in arrears (including Late Interest, if any), on Contracts, as defined in Article II, paragraph 1 of this Agreement.

3. "Accrued Interest" means interest accrued under the relevant Contracts from the last interest maturity date through November 30, 2006, inclusive, computed at the rate specified in the Contracts.
4. "Late Interest" means interest charges accruing from the contractual payment date of principal and interest due and not paid through November 30, 2006, inclusive.
5. "Minute" means the Agreed Minutes on the Reduction of the Debt of the Republic of Sierra Leone, signed on January 24, 2007.
6. "Participating Creditor Countries" means creditor countries that are signatories to the Agreed Minutes on the Reduction of the Debt of the Republic of Sierra Leone, signed on January 24, 2007.
7. "Completion Point" means December 14 and December 15, 2006, the dates on which the Boards of the International Development Association of the World Bank and the International Monetary Fund ("IMF"), respectively, decided that Sierra Leone had reached its Completion Point, as defined under the Enhanced Debt Initiative for Heavily Indebted Poor Countries.
8. "Agency" means USDA.

ARTICLE III

Terms and Conditions of Cancellation

1. One hundred percent of the Relevant Principal, as defined in Article II, paragraph 2, is hereby cancelled.

A table summarizing the amount of Relevant Principal owed to the United States and its agencies and cancelled hereby is attached hereto as Annex B.

2. Adjustments in the amounts of Relevant Principal may be made in writing, as necessary and by mutual consent.

ARTICLE IV

General Provisions

1. Sierra Leone shall seek to secure from its external public or private creditors not participating in the Minute reduction arrangements on terms comparable to those set forth in the Minute for credits of comparable maturity, committing to avoid treatment

ANNEX A
Contracts Subject to Reduction

USDA

77SL1 - 8/18/1977
78SL1 - 8/31/1978
79SL1 - 8/23/1979
80SL1 - 8/8/1980
81SL1 - 3/25/1981
82SL1 - 7/28/1982
83SL1 - 4/29/1983
84SL1 - 4/23/1984
85SL1 - 5/9/1985
86SL1 - 5/5/1986
87SL1 - 6/10/1987
88SL1 - 6/16/1988
89SL1 - 9/27/1988
90SL1 - 6/8/1990
92SL1 - 3/4/1992
93SLA - 4/19/1993
95SLA - 1/11/1995
96SLA - 8/7/1996

ANNEX B
SUMMARY OF RELEVANT PRINCIPAL
(thousands of U.S. dollars)

USDA	\$ 58,254
TOTAL	\$ 58,254

more favorable than that accorded to the Participating Creditor Countries, as more specifically defined in the Minute.

2. Except as may be modified by this Agreement, all terms of the Contracts remain in full force and effect.
3. Upon entry into force, this Agreement will supersede the Agreement between the United States of America and the Republic of Sierra Leone Regarding the Consolidation and Reduction of Certain Debts Owed To, Guaranteed By, or Insured by the United States Government, dated April 25, 2003, as amended.

ARTICLE V

Suspension or Termination

1. The United States may suspend or terminate this Agreement by giving sixty (60) days written notice to Sierra Leone. In particular, the United States may suspend or terminate all or part of this Agreement, if the Participating Creditor Countries determine that Sierra Leone has not met its obligations under the Minute, including those of comparable treatment. If the United States terminates all or part of this Agreement, all payments consolidated and cancelled under this Agreement shall be due and payable immediately following notification to Sierra Leone of the exercise by the United States of this right of termination.
2. This Agreement may be amended or modified by mutual consent of the United States and Sierra Leone.

ARTICLE VI

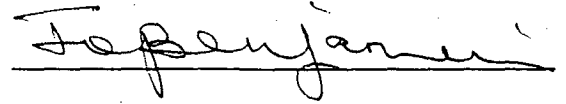
Entry into Force

This Agreement shall enter into force following signature of the Agreement and written notice to Sierra Leone by the United States that all necessary U.S. domestic legal requirements for entry into force of the Agreement have been fulfilled.

Done at Freetown, Sierra Leone, in duplicate, in the English language, this seventh day of June, 2007.

A handwritten signature in black ink, appearing to read "Thomas N. Hull, III", written over a horizontal line.

FOR THE UNITED STATES
OF AMERICA:
Ambassador Thomas N. Hull, III
Ambassador to the Republic of Sierra Leone

A handwritten signature in black ink, appearing to read "John O. Benjamin", written over a horizontal line.

FOR THE REPUBLIC OF
SIERRA LEONE:
The Honorable John O. Benjamin
Minister of Finance